

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Fish, Wildlife and Water Resources to which was  
3 referred House Bill No. 507 entitled “An act relating to eligibility for economic  
4 development in impaired waters of the State” respectfully reports that it has  
5 considered the same and recommends that the bill be amended by striking out  
6 all after the enacting clause and inserting in lieu thereof the following:

7 Sec. 1. SECRETARY OF ADMINISTRATION; WATER QUALITY

8 STANDARDS CERTIFICATION FOR STATE-FUNDED GRANTS;  
9 REPORT

10 (a)(1) The Secretary of Administration shall amend the Standard State  
11 Provisions for Contracts and Grants, referred to as Attachment C to  
12 Administrative Bulletin 5, to require an applicant for a State-funded grant to  
13 certify, under pains and penalties of perjury, that the applicant is in good  
14 standing with the Agency of Natural Resources and the Agency of Agriculture,  
15 Food and Markets.

16 (2) The requirement under this subsection shall allow for an attachment  
17 or include space for an applicant who cannot certify under subdivision (1) of  
18 this subsection to explain the circumstances surrounding the applicant’s  
19 inability to certify under subdivision (1).

20 (3) At any time prior to the award of a State-funded grant or during  
21 implementation of a State-funded grant, an applicant shall notify the State

1 agency or department administering the State-funded grant if the applicant is  
2 no longer in good standing with the Agency of Natural Resources or the  
3 Agency of Agriculture, Food and Markets.

4 (4) As used in this section:

5 (A) “Applicant” shall include all entities, including businesses in  
6 which the applicant has a greater than 10 percent interest, or land owned or  
7 controlled by the applicant.

8 (B) “Good standing” means the applicant:

9 (i) is not a named party in any administrative order, consent  
10 decree, or judicial order relating to Vermont water quality standards issued by  
11 the State or any of its agencies or departments; and

12 (ii) is in compliance with all federal and State water quality laws  
13 and regulations.

14 (b) A State agency or department may consider an applicant’s certification  
15 or explanation under subsection (a) of this section in determining whether or  
16 not to award a State-funded grant to the applicant.

17 (c)(1) If a State-funded grant applicant knowingly provides a false  
18 certification or explanation under subsection (a) of this section or fails to notify  
19 the State agency or department administering the State-funded grant if the  
20 applicant is no longer in good standing with the Agency of Natural Resources

1 or the Agency of Agriculture, Food and Markets as required in subdivision

2 (a)(3) of this section, the State or its agencies or departments may:

3 (A) seek to recover the grant award; and

4 (B) deny any future grant award to the applicant, based on the false  
5 certification or explanation or failure to notify, for up to five years.

6 (2) In recovering a grant award under this section, the State or its  
7 agencies or departments shall be entitled to costs and expenses, including  
8 attorney's fees.

9 (d) This section shall not apply to federally funded grants, contracts, or tax  
10 credits or federal or State loan programs.

11 (e) On or before January 15, 2021, the Secretary of Administration shall  
12 submit a report to the House Committees on Fish, Wildlife and Water  
13 Resources and on Commerce and Economic Development and the Senate  
14 Committees on Natural Resources and Energy and on Economic Development,  
15 Housing and General Affairs regarding methods to require all economic  
16 development assistance applications to include a certification that the applicant  
17 is not in violation of the requirements of programs enforced by the Agency of  
18 Natural Resources under 10 V.S.A. § 8003(a). The report shall also include  
19 information regarding any enforcement action taken by the State or its agencies  
20 or departments under subsection (c) of this section.

1       Sec. 2. EFFECTIVE DATE

2           This act shall take effect on July 1, 2016.

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5           (Committee vote: \_\_\_\_\_)

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Representative \_\_\_\_\_

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FOR THE COMMITTEE